UNITED NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/ECE/1334
2 February 1996

ORIGINAL : ENGLISH

ECONOMIC COMMISSION FOR EUROPE

Fifty-first session
(Provisional Agenda item 5(b))

COOPERATION AND COORDINATION OF ACTIVITIES WITH OTHER ORGANIZATIONS AND INSTITUTIONS AND SUBREGIONAL GROUPINGS ACTIVE IN THE ECE REGION

Note by the Executive Secretary

OVERVIEW

1. This document reviews the relationships between ECE, the United Nations System and the other international organizations, financial institutions and subregional groupings active in Europe. The annex contains a brief description of the mandates and goals of the subregional groupings. This document does not address relations with the European Union and the OSCE. Cooperation with the European Union, which enjoys a special status within ECE, is particularly well developed in statistics, transport, environment, trade facilitation, and industry. Details of special cooperation with PHARE and TACIS programmes is given in document E/ECE/1328. Cooperation with the OSCE, which has a similar membership to ECE, is presented in a separate report, E/ECE/1333.

2. Institutions, organizations and subregional groupings are numerous in Europe. For cooperation with them to be fruitful, it must focus on issues of mutual benefit and be concluded with the aim of making the best use of the available resources, by avoiding overlaps and taking advantage of complementarities. With well established institutions, with a strong secretariat, working relations have been established which encourage the exchange of information, data and analyses. Even if mandates cover similar areas, duplication is rare thanks to efforts made in previous years. In some cases an explicit decision on areas of competence avoids duplication, for instance in the field of the environment, ECE focuses on pollution while the Council of Europe focuses on the protection of wildlife. More generally, the

regular meetings of Ministers of the Environment, as part of the "Environment for Europe" process in which ECE plays a coordinating role, allocate responsibility to the various institutions active in Europe on common programmes. In other areas, such as statistics, the programme of work of ECE, Eurostat and OECD is examined jointly by the Conference of European Statisticians each year; in other cases there is a difference of approach. For example, whilst OECD produces in-depth studies of some individual countries in transition, ECE produces a comparative review of situations and policies for the whole region. Dialogue between secretariats has reduced the risk of overlaps. Similarly, stronger coordination within each member State would prevent similar requests being addressed to different institutions.

3. As for subregional groupings, cooperation could be mutually beneficial. However, if cooperation is to produce tangible results, several points should be considered:

- Often, newly formed organizations do not have a sufficiently experienced secretariat or resources commensurate with their mandates, but they have a high political profile. ECE has developed policy instruments, conventions, norms, standards and guidelines which could be adapted to specific subregional contexts by these organizations, contributing to better information on and better implementation of these instruments. This would bring the benefit of greater efficiency to the sub-regional groupings, and would ensure a significant role in concrete regional projects for ECE.

- Experience has shown that most subregional groupings, although important as policy making bodies which can ease tensions between their members, have produced only limited concrete economic results, due to financial and other constraints. In particular, there is a tendency for new initiatives to seek and welcome whatever assistance is offered without having previously formulated a clear plan of action, identifying those elements which are actually needed.

- Sometimes difficulties are due to internal structures within States. Since the decision making bodies of most subregional groupings are centred around the Ministries of Foreign Affairs, coordination with other Ministries can be difficult. Within the Ministries of Foreign Affairs themselves, those desks that deal with subregional groups often have little experience of the United Nations system. This can lead to duplication of efforts, or opportunities not being taken advantage of. In addition, information about the potential of the United Nations system is not well disseminated in these member States.

- The ECE should cooperate on issues where it has a comparative advantage and expertise. In doing so, it would benefit from UNDP, PHARE and TACIS support. United Nations Operational Activities, spearheaded by UNDP, could actively support this cooperation in the context of regional coordination as stipulated in the Triennial Policy Review of its United Nations Operational Activities.

I. THE UNITED NATIONS SYSTEM AND OTHER INTERNATIONAL INSTITUTIONS ACTIVE IN THE REGION

(i) United Nations System

4. The biennial Administrative Coordination Committee (ACC) chaired by the Secretary General, is complemented by meetings of the regional heads of the UN agencies, convened by the Executive Secretaries of the regional commissions, the second of which for the ECE region took place on 6 February 1995. This was attended by FAO, ILO, IMF, ITU, UNEP, UNHCR, UNIDO, UNFPA, WHO, WIPO, WMO, World Bank, EBRD, European Commission, Council of Europe and ECE. The meeting took up three basic issues: the integration of the transition countries into the European and global economy; social development issues of importance to the countries in transition of the region; and environment and sustainable development in the transition economies. It was decided that future action would concentrate on information exchange and cooperation focusing on regional follow-up to global conferences. Future discussion of experiences will concentrate on "generic activities", such as training and technical cooperation activities undertaken at the country, subregional or regional levels. It was also agreed that other intergovernmental organizations active in the countries in transition but which do not belong to the UN system (EBRD, OECD, the European Commission and the Council of Europe) would be invited to attend all future regional ACC meetings.

5. Whenever appropriate, ECE develops cooperation with the bodies and agencies of the UN system by participating in meetings, preparing joint programmes, providing inputs for the Secretary General's reports and other reports prepared for ECOSOC and the General Assembly. ECE also participates actively in the subsidiary bodies established by ACC, such as the CCPOQ meetings and in preparations for, and the follow-up to global conferences (see E/ECE/1343). In 1995, contributions to the Fourth World Conference on Women, preparations for HABITAT II and preparations for UNCED were of particular importance.

(ii) World Trade Organization (WTO)

6. ECE member States account for 31 of the total WTO membership of 111. However, the 12 transition economies with observer status and the 6 members of the WTO with transition economies (Czech Republic, Hungary, Poland, Romania, Slovakia and Slovenia) are treated as developed countries, with no special attention given to the particular difficulties they face.

7. A series of meetings was held between the WTO and the ECE Trade Division during 1995. The following issues were identified as deserving special attention with regard to technical cooperation: the role of ECE in supporting the multilateral trading system of WTO; standardization; UN/EDIFACT; compliance with the trade policy review mechanism (TPRM); market access; technical barriers to trade and the status of ECE commercial quality standards for agricultural produce; trade in services/codes for classification of services; timber and forest sector issues including trade in forest products; trade-related investment measures (TRIPs); ECE regional advisory programme; training; and the accession of transition economies to WTO. ECE is an observer

at the WTO Trade and Development Committee, and has attended the sessions related to transition economies.

8. The WTO welcomed the role of ECE in setting quality standards. It was agreed that ECE would remain the principal institution in the field of standardization. The relationship between ISO and ECE was acknowledged as important. The meetings reaffirmed that solid links should be maintained between the two organizations, through regular consultations, to avoid duplication of effort.

9. It has been proposed that the WTO Trade and Development Committee should mandate greater participation and information exchange between ECE and the WTO, with plans for regular technical cooperation meetings and participation at WTO committees and working parties.

(iii) World Bank (IBRD)

10. Contacts were intensified to secure a greater interaction in both policy and operational activities. Consultations focused mostly on cooperation related to investments databases and training. In addition, contacts were established on the reconstruction of Bosnia and Herzegovina on mid-term sectoral priorities.

11. The Joint Vienna Institute (JVI) is a cooperative venture between the Bank for International Settlements (BIS), the World Bank, the International Monetary Fund (IMF) and OECD. The Commission of the European Communities also played an important role in the start-up and early development of JVI which is specialized in providing training related to the management of transition processes. Proposals for cooperation in joint training and investment promotion between JVI and ECE have been agreed.

(iv) The International Monetary Fund (IMF)

12. ECE cooperation with IMF falls into three main categories: statistics programme planning in ECE region; sharing of data; and technical assistance to countries in transition.

13. The IMF Directorate of Statistics actively participates in the Bureau of the Conference of European Statisticians (CES) as well as a number of other UN system statistical committees. IMF statistical work is included in the joint presentation of statistical programmes of all international agencies and is discussed by the CES.

14. The IMF provides a significant input to ECE work on the countries in transition, particularly with regard to financial data. ECE actively participates in the steering committee chaired by the IMF which coordinates technical assistance in statistics to the CIS countries. The IMF provides secretariat services and ECE provides regional advisors. ECE is the executing agency for a number of projects on demographics and social statistics, in addition to the regular programme of work.

(v) European Bank for Reconstruction and Development (EBRD)

15. There has been continued cooperation with the EBRD. In particular, the collaboration between the EBRD and the Trade and Investment Promotion Section (under sub-programme 7) has four main components: Firstly, EBRD participated in the Investment Forum organized by ECE in November 1995 and a Group of Experts on Project Finance Technology was created. The Legal branch of EBRD will participate on a continuous basis in this initiative. Secondly, ECE has been the United Nations representation at the annual sessions of the EBRD. Thirdly, the Investment Database on Private Foreign Direct Investment into the countries in transition, which is an ongoing ECE project, is frequently consulted by the EBRD as part of an ongoing dialogue. Finally, the Committee on the Development of Trade, at its meeting in December 1995, considered an ECE study on trade and investment finance. The EBRD had helped significantly in providing information for this study, as with a number of other studies carried out in the field of industry and technology.

16. Apart from the contact developed with the EBRD through the Trade and Investment Promotion projects, there was no direct financial support to the UN by the EBRD. However, regular information exchange at the level of the secretariats of the two organizations as well as information provided to governments through ECE's advisory services have been of mutual benefit.

(vi) The Council of Europe

17. The cooperation between the Council of Europe and ECE has been strengthened during the 1990s, particularly with regard to the preparations for United Nations global conferences. The ECE regional preparatory meeting for the Intergovernmental conference on population and development held in Geneva in 1993 was co-sponsored by the Council of Europe, which provided both substantive and financial contributions. It also contributed documentation for the High-level Regional Preparatory Meeting for the Fourth World Conference on Women (Vienna, 1994). Similar cooperation is expected for the regional preparations for the Habitat II conference. Invitations are regularly exchanged and participation secured in ECE and Council of Europe meetings of mutual interest, such as population, migration, women, environment and human settlements. The Council of Europe regularly takes part in the regional consultative meetings requested by ECE to secure greater interaction among organizations active in the region.

18. The growing overlap of membership and complementary mandates of both institutions imposed the need for closer cooperation between the two institutions. The Parliamentary Assembly had its first debate in 1995 on UN/ECE activities. The resolution adopted noted with satisfaction the complementary efforts of the Council of Europe and ECE. It invited interested ECE member States to strengthen its on-going activities of relevance to countries in transition and called on the Governments of Council of Europe and the European Union to support financially the ECE Trust Fund for Assistance to Countries in Transition. The Parliamentary conference on economic Reforms in Central and Eastern Europe will be hosted by the Polish 'Sejm' on 22-24 May 1996. This innovative meeting will gather parliamentarians and government officials and will be organized in cooperation with ECE. The ECE contribution

will draw on the Bulletin, the Survey and the background document prepared for the OSCE meeting on the implementation of the commitments obtained in the Document of the Bonn Conference in Economic Cooperation in Europe. The Chamber of Regions of the Congress of Local and Regional Authorities of the Council of Europe held the first session of its newly established Regional Economic Forum of Europe in Geneva in January 1996. The meeting focused on East-West economic cooperation between regions. At the invitation of the Council of Europe, ECE cooperated with the Geneva Authorities in organizing this meeting. This initiative proved successful and regular meetings on more focused issues will be organized. For ECE it is worth cooperating with the Chamber of Regions as regions are delegated increasing economic responsibilities and are more and more involved in transboundary relationships. They can play an important role in and can benefit from the implementation of many of the arrangements developed by ECE, such as the conventions on air pollution and on industrial accidents and the interconnection of networks.

(vii) Organisation for Economic Cooperation and Development

19. ooperation between OECD and ECE is very close in the field of statistics, where three organizations, the EU, the OECD and ECE through Eurostat jointly present their annual programmes to the Conference on European Statisticians. For the first time, this annual meeting took place at the invitation of the OECD in Paris in 1994. This cooperation includes regular consultation with OECD and the EU at the level of Working Groups, Technical Cooperation inputs and financial support to joint ventures. Regular consultative meetings are convened between OECD, FAO and ECE in the field of agriculture and timber to secure a coordinated approach to programmes. The forthcoming meeting will be held at the OECD headquarters in Paris 1996. OECD representatives take an active part in ECE energy meetings and in the Inland Transport Committee activities through the CEMT.

II. SUBREGIONAL GROUPINGS

(i) Black Sea Economic Cooperation

20. ECE participates regularly in BSEC ministerial meetings. Sixteen working groups established by BSEC provide ample opportunity for exchange of information. The support literature, advisory services and inputs for the technical meetings may be provided by ECE on request. Thus, ECE provided support to the first meeting of the working group on energy by preparing a separate publication on the energy situation in BSEC countries "BSEC in Energy: Momentums and Opportunities", based on its experience. The meeting of the group (Vienna, October 1994) considered a number of project proposals on the basis of which ECE has identified possible cooperation. The BSEC transport network project of a road and rail ring around the Black Sea could benefit from ECE work on trans-European railways and motorways. ECE has prepared inputs for the BSEC working group on transport (Anapa, Russian Federation, October 1995) and for the ad-hoc group of experts on transport networks (Kyiv, Ukraine, October 1995). Due to the short term cash flow crisis, ECE participation at these meetings was not honoured. There was an OSCE meeting in Sofia in November 1995 on transport specific to the BSEC region to which ECE made a significant contribution.

(ii) The Secretariat of the Commonwealth of Independent States

21. Two workshops took place in 1995 at which the CIS secretariat was represented by its Executive Secretary. In March 1995, at the ECE workshop on "Promoting the expansion of Trade of the Countries in Transition as an important factor in their integration with the European and global economy" a statement was made indicating the areas of particular interest to the CIS secretariat in cooperating with ECE. In June 1995, at the ECE consultative workshop on industrial restructuring, he reaffirmed his call for close cooperation between the CIS Executive Secretariat and ECE in the area of industrial development. ECE was called upon to assist the CIS in training experts to improve the quality of CIS project documents. The CIS Executive Secretary invited ECE to sign a cooperation agreement, so that relations between the two organizations would gain a legal basis and exist parallel to the relations between ECE and member States of the CIS. He also suggested that the two organizations could jointly work on such problems as Aral Sea conservation, ozone layer protection, liquidation of the consequences of the Chernobyl disaster and other emergency situations. It was further suggested that there was a need for a mechanism to coordinate the efforts of international organizations in these respective areas. The CIS called for the establishment of a consultative council of regional organizations.

22. The ECE, following a pragmatic approach, has developed cooperation with the CIS in areas where it has an effective impact. It has close relations with the CIS Statistical Committee. It has also established contacts with ICERC, the International Committee for Economic Reform and Cooperation in 1995 (established in 1993 in Kyiv with the support of the CIS States, to stimulate trade and investment among the countries of the region and to promote east-west economic cooperation and investment) in order to exchange information on issues of common interest and to encourage participation at meetings. On substantive issues such as energy or infrastructure there are better mechanisms at the working level, in particular the Economic Cooperation Committee for CIS Countries, based in Moscow, which is a relatively new and expanding organization aimed specifically at cooperation on economic issues. A project on "The Present Situation and Prospects for the Fuel and Energy Complex in the CIS" was initiated in 1995, with the participation of all CIS Governments through national experts on energy matters. The first meeting was held in Moscow from 13-15 September 1995, with further consultations planned for 1996.

(iii) The Central European Initiative

23. ECE has, to the extent possible, been represented at the high-level meetings of the CEI. It also took an active part in the CEI working groups on transport, environment and energy. The recent initiatives include the contribution of ECE to the fourth, fifth and sixth plenary meetings of the Working Group on small and medium sized enterprises to design a relevant programme. ECE also took an active part in the Ministerial meeting on international economic relations and foreign trade questions in Skopje, The FYR of Macedonia in March 1995 to which an ECE position paper was presented. Four associated States also attended the meeting as a step towards their more active involvement in CEI activities. The ministers of the CEI member States

reaffirmed that efforts aimed at furthering their countries' economic transformation and at removing barriers that prevented or delayed their integration into the EU were the main tasks of the initiative. They paid special attention to the need for increasing mutual trade among CEI member States through new initiatives aimed at promoting trade, such as specified fairs, direct investment etc. They agreed that the actions of the working group on SMEs were a critical contribution to the economic development of the whole region. The "Creation of SMEs with regard to regional policy in Central and Eastern Europe" workshop was held on 20/21 April 1995 in Vienna by the Austrian Federal Ministry for Economic Affairs. ECE is invited to most CEI meetings at the level of Working Groups of Experts, mainly because of the TEM/TER projects. The work of the CEI on transport infrastructure juxtaposes with the TEM/TER network, however the aim is not to initiate additional projects, rather to realize the TEM/TER networks in the Central European region. The CEI proposed to intensify cooperation with ECE on its priority project, the Central European Transport Information Reporting System (CETIR), which includes the elaboration of methodology for a proposed regional multi-modal planning study (TEN priority studies), the preparation of a series of planning studies on domestic transport (TP studies), modern information management systems (including software for GIS analysis) and the sharing and processing of data. There is potential for the methodologies developed by the CETIR project to be applied and further developed in the TEM/TER projects.

(iv) The Nordic Council of Ministers

24. Following the visit of its delegation to Geneva in 1993, the Nordic Council of Ministers supported politically ECE work related to preparations for the Fourth World Conference on Women and Social Summit. ECE was given prominence at the Nordic Forum on Women (Turku, Finland, 1994). Similar support was provided to the International Council on Social Welfare which cooperated with ECE in organizing events at the NGO forum held during the World Social Summit in Copenhagen in March 1995. The Nordic Council participated in the inter-agency consultative meeting on regional follow-up to the Fourth World Conference on Women, held in January 1996.

(v) Baltic Council of Ministers

25. The representation of the Baltic Council of Ministers attended the fiftieth session of the Commission in April 1995 to seek cooperation. Advisory services were provided on industrial development and the environment.

(vi) Council of Baltic Sea States

26. ECE has cooperated only indirectly, through the Baltic Council of Ministers. ECE has been invited to contribute to the meeting of the Environment Ministers of the Baltic Sea region (Stockholm, 25-25 March 1996).

(vii) European Free Trade Association

27. ECE is exploring the possibility of cooperating with EFTA, particularly in providing assistance to economies in transition. There is already an established EFTA technical cooperation programme with the Central and Eastern

European Countries (CEEC). Since 1990 EFTA has negotiated a range of free trade agreements with Bulgaria, Czech Republic, Slovakia, Hungary, Poland and Romania and signed declarations as a basis for technical assistance with Albania, Estonia, Latvia, Lithuania and Slovenia. The possibilities for EFTA/ECE cooperation were presented at the EFTA's 35th Anniversary workshop in Geneva in March 1995.

(viii) Economic Cooperation Organization (ECO)

28. So far ECE has no direct relations with ECO, but it would be of interest, in particular in transport and energy, to liaise with ESCAP in its cooperation with ECO. A Memorandum of Understanding was signed between the executive heads of ESCAP and ECO in Istanbul in July 1993, during the second summit meeting of ECO. Pursuant to this, there has been joint participation in workshops and seminars organized by ECO and ESCAP. In addition, ESCAP initiated Consultative Meetings among Executive Heads of subregional organizations, which now take place annually. The Secretary General of ASEAN hosted the meeting in Jakarta in January 1995, and the Secretary General of ECO will host the next meeting in Teheran in May 1996 which will consider developments in the four areas identified for promoting inter-subregional cooperation and cooperation with ESCAP: 1) Trade and Investment; 2) Transport and Communications; 3) Human Resources Development; and 4) Energy. ESCAP is currently involved in five studies to complement the Asian Land Transport Infrastructure Development (ALTID) projects as endorsed by the Commission at its forty-eighth session (1992), and is involved in promoting border-crossing facilitation measures and legal instruments which are consistent with those developed by ECE, in order to ensure complementarity where regional links to Europe are developed.

ANNEX

(i) The Baltic Council of Ministers (BCM)

History: Established on 12 May 1990 in Tallinn, Estonia, developing from the reconstituted Baltic Entente of 1989 and old Concord on Cooperation of 1934.

Mandate: To consolidate independence from the former Soviet Union; to promote economic prosperity and democracy in the region. Spheres of cooperation have been identified in the following areas: foreign affairs, defence and peacekeeping, finances and currency, justice and legislation, science and education, environmental protection, economic issues, energy, trade, construction, agriculture, forestry, transport and communications, social affairs, prevention and control of crime, culture, customs, information technology, and border security.

Members (3): Estonia, Latvia, Lithuania

Structure: The Baltic Council comprises the Chairman of the Supreme Councils, and the Prime and Foreign Ministers of Member States.

Recent Developments: The Joint Declaration of the Presidents of the Baltic States on 21 September 1993 and the Baltic Assembly resolution of 31 October 1993 and 15 May 1994 stressed the need to pursue cooperation between the respective parliaments and governments of the member States. On 13 June 1994 in Tallinn, the Agreement on Parliamentary and Governmental Cooperation between the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania was concluded. The agreement included the Terms of Reference of the Baltic Council of Ministers. In this way, a direct link with the executive power was secured. Intergovernmental cooperation within the Baltic Council of Ministers takes place at the Ministerial level and at the level of senior officials. 19 Committees of senior officials have been established. The work of the committees is supervised and coordinated by the Baltic Cooperation Committee.

Relations with Other Organizations: The Council is linked to the Nordic Council, the Baltic Assembly, the Commonwealth of Independent States (CIS), and the Council of Baltic Sea States (CBSS).

(ii) The Baltic Assembly

History: Established in 1991, following the creation of the Baltic Council on 12 May 1990. The first session of the Baltic Assembly was held in Riga, Latvia in February 1992.

Mandate: To act as an institution for parliamentary cooperation in order to address issues such as foreign policy, defence and security.

Members (3): Estonia, Latvia, Lithuania

Structure: The Presidium of the Baltic Assembly comprises 60 delegates, 20 from each member State. The Assembly has standing committees on: Legal; Socio-economic; ecology and energy; communications; education; culture and science; and foreign affairs.

Recent Developments: Prior to and immediately after independence, the Baltic republics maintained a high degree of unity largely by avoiding clear definitions of their policy goals, especially in their foreign policy. Clearer definition of policy has led to greater awareness of conflicting aims. For example, initial hopes that the Baltic States, serving as a conduit to the Russian market for Western countries would attract substantial foreign investment, have been disappointing. Since each country sees that one nation's foreign investment gain is the others' loss, the competition for foreign investment has become increasingly bitter. EU and NATO membership is also proving to be more difficult to achieve than was originally anticipated. This has led the Baltic governments to explore the possibility of individual rather than group entry. However, the EU and Nordic Council States have made it clear that greater Baltic cooperation and unity is a necessary precondition for membership in the EU and NATO.

Relations with Other Organizations: The Presidium has a joint working group with the Presidium of the Nordic Council and has a link with the Commonwealth of Independent States (CIS). The delegations from the Baltic Assembly Presidium attend the Parliamentary Conference on Cooperation in the Black Sea Area, the Inter-Parliamentary Consultative Council of Benelux, and the Parliamentary Assembly of the Council of Europe.

(iii) The Council of Baltic Sea States (CBSS)

History: Established on 6 May 1992 in Copenhagen, by the Ministers of Foreign Affairs of the ten countries in the Baltic Sea region. CBSS is also referred to as the Baltic Council.

Mandate: To intensify cooperation among member States; to serve as forum for discussion of issues of common concern to countries on the Baltic coastline. The Council's main concerns are: support for new democratic institutions; economic and technical cooperation; environmental protection; development of transport and communications; cultural exchange; education; and tourism. Currently there are working groups on: assistance to the new democratic institutions; nuclear and radiation safety; euro-faculty.

Members (10): Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland, Russian Federation, Sweden

Structure: The Council meets annually at the level of Foreign Ministers. The Presidency is held in rotation for one-year term by participating countries. The Committee of Senior Officials from Ministries of Foreign Affairs is responsible for promotion and coordination of activities.

Recent Developments: Sweden currently holds the rotating presidency for 1996. The last CBSS meeting took place in Stockholm in December 1995. The Council has proposed new CSO working groups on: economic and technical cooperation; joint information network of the Baltic Sea.

Relations with Other Organizations: The CBSS cooperates with: the Central European Initiative (CEI) and the Nordic Council.

(iv) The Black Sea Economic Cooperation (BSEC)

History: Established on 25 June 1993 in Istanbul by the governments of 11 countries. The BSEC is also referred to as the Black Sea Economic Cooperation Region or the Black Sea Group.

Mandate: To set up a regional structure of multilateral cooperation in various fields of economic activity in the Black Sea region. It aims to contribute to political stability; economic development; transition to market economies (especially in the case of former Warsaw Pact members); and cooperation in energy, transportation, tourism, communication, information and environmental protection, science and technology, trade and industrial cooperation, agricultural and agro-industry promotion, protection of investments and avoidance of double taxation. The Participating States are striving to provide support for SMEs, to encourage direct contacts among companies and firms, to facilitate the free movement of people, capital, goods and services and capital among members; and to ensure favourable conditions for overseas investments.

Members (11): Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Republic of Moldova, Romania, Russian Federation, Turkey, Ukraine. The BSEC Council has granted observer status to Israel, Egypt, Poland, Slovakia and Tunisia. Two European Union countries, Italy and Austria, have also been granted observer status.

Structure: The decision-making body of the BSEC is the Meeting of Ministers of Foreign Affairs (MMFA), which meets every six months. The chairmanship of the MMFA also rotates every six months. The Chairman is responsible for coordinating all activities carried out within the framework of the BSEC and for the proper application of Resolutions and Decisions adopted by the MMFA. The MMFA contains sixteen Working Groups and Groups of Experts covering trade and industrial cooperation; energy; transport; communications; banking and finance; environmental protection; tourism; agriculture and agro-industry; science and technology; avoidance of double taxation; promotion and protection of investments; exchange of statistical data and economic information. In addition to the MMFA, the BSEC consists of the Black Sea Trade and Development Bank (to be established in Thessaloniki, Greece), the Parliamentary Assembly of the BSEC (established in February 1993. Greece and Bulgaria are not members), and the BSEC Council for Business. It has been decided that the International Centre for Black Sea Studies will be set up in Greece with the support of the EU. The permanent international secretariat of the BSEC was established in Istanbul in January 1994 and has an annual budget of approximately US$1 million.

Relations with Other Organizations: The BSEC has links with: the Central European Initiative (CEI), the European Union (EU), the Council of Baltic Sea States (CBSS). The BSEC has links with the World Bank and the International Monetary Fund (IMF).

(v) The Nordic Council of Ministers

History: Established in 1952 by a Statute drawn up between the Governments of Denmark, Iceland, Norway, and Sweden. Finland joined in 1955. Since 1970, the autonomous territories of the Faeroe and the Aaland Islands have their own representatives on the Council. Greenland has been represented since 1984.

Mandate: To instigate, monitor and accelerate the pace of cooperation among the Nordic countries and autonomous territories; and to act as the cooperative body of the legislature and governments of member countries in matters involving joint action and to promote discussion of common interests.

Members (8): Aaland Islands, Denmark, Faeroe Islands, Finland, Greenland, Iceland, Norway, Sweden. Observers: Estonia, Latvia, Lithuania

Structure: The Nordic Council of Ministers is composed of the Plenary Assembly; the Presidium; and six Standing Committees. The Plenary Assembly of the Council meets at least once a year. It consists of 87 members, elected by and from the Parliaments of the respective countries: Denmark 16; Faeroe Islands 2; Greenland 2; Finland 18; Aaland 2; Iceland 7; Norway 20; Sweden 20. (The Delegations from Faeroe Islands and Greenland form part of the Danish Delegation and Aaland is part of the Finnish Delegation.). The Presidium of the Council comprises 11 parliamentarians (at least 2 from each country). The Secretariat of the Presidium is in Stockholm. A Secretariat Coordinating Committee assists the Presidium. Each member of the Council (except members of the Presidium) is assigned to one of the six Standing Committees which comprises 13 members. The six Standing Committees are: Economic Committee; Legal Committee; Cultural Committee; Environmental Committee; Social committee; and Budget Committee. The Nordic Council of Ministers (NMR) forms an integrated whole with the Nordic Council. The Secretariat of NMR is located in Copenhagen, Denmark.

Relations with Other Organizations: The Nordic Council of Ministers has a cooperation agreement with the Parliamentary Assembly of the Council of Europe. They are in the process of setting up the Nordic Cultural Forum and the Nordic Institute for European Community Law. The Council of Ministers has a close link with the Baltic Council and has an agreement on parliamentary cooperation with the Baltic Assembly. The Presidium of the Nordic Council has a joint working group with the Presidium of the Baltic Assembly. The Council is expected to coordinate the activities of the proposed Baltic Sea Council, which may be set up as the parliamentary dimension of the Council of the Baltic Sea States (CBSS). Delegations from the Nordic Council attend the Parliamentary Conference on Cooperation in the Baltic Sea Area. The Nordic Council supports the works of: the International Labour Organization (ILO). The Council also has links with: the Economic Free Trade Area (EFTA); the European Commission; the European Parliament; the Parliamentary Assembly of

the Commonwealth of Independent States; and the Organisation for Economic Cooperation and Development (OECD).

(vi) The Commonwealth of Independent States (CIS)

History: Established on 8 December 1991 at Visculi, Belarus by the Governments of Belarus, Russia, and Ukraine. The other countries of the former USSR - except Estonia, Georgia, Latvia, Lithuania - joined the CIS on 21 December 1991. Georgia subsequently joined.

Mandate: To promote the economic and social progress of the member States; to develop and protect the diversity of cultures in the region; to promote international peace and security as well as to maintain peace among the different ethnic groups in the region.

Members (12): Armenia, Azerbaijan, Belarus, Georgia, Kazakstan, Kyrgyzstan, Republic of Moldova, Russian Federation, Tajikistan, Turkmenistan, Uzbekistan, Ukraine

Structure: The CIS comprises eight bodies: the Council of CIS Heads of States (meets twice a year); the Council of CIS Heads of Governments (meets four times a year); the Coordination and Consultative Committee (meets every two months); the Executive Secretariat; the Parliamentary Assembly of the Commonwealth of Independent States; the Council of Ministers of Foreign Affairs; the Council of Ministers for Defence; and the Economic Court of the Commonwealth of Independent States.

Recent Developments: Member States agreed to create an Economic Union and a Military Union of the Commonwealth of Independent States on 16 May 1994 in Moscow. Leaders of Russia, Belarus and Ukraine signed a pact on 28 January 1995 setting up a United Trade Zone, or customs union, whose first stage began in the first and second quarters of 1995 and which is open to other CIS members. The CIS members set up an Interstate Bank on 22 January 1993.
Relations with Other Organizations: The CIS has links with: the Organization for Security and Cooperation in Europe (OSCE); the Council of Europe (CE); the European Union (EU); the Organisation for Economic Cooperation and Development (OECD); and the North Atlantic Treaty Organization (NATO) through the North Atlantic Cooperation Council. The CIS has a cooperation agreement with the International Organization for Migration (IOM).

(vii) The Central European Initiative (CEI)

History: Established on 11 November 1989 by the Governments of Austria, Hungary, Italy and the former Yugoslavia. Subsequently Czechoslovakia joined. The current name was adopted in 1992, when Croatia, Slovenia, and Bosnia and Herzegovina became full members of the initiative.

Mandate: To establish and strengthen mutually beneficial partnership structures based on the shared values of parliamentary democracy and human rights; to consolidate democratic institutions, economic recovery and

development; and to foster full integration of its member States into the European Union.

Members (10): Austria, Bosnia and Herzegovina, Croatia, Czech Republic, Hungary, Italy, Poland, Slovakia, Slovenia and The former Yugoslav Republic of Macedonia. Albania, Belarus, Bulgaria, Romania, Ukraine and German States of Baden-Wurtenberg and Bavaria have shown continuous interest in cooperation with CEI. They have obtained associated status and are eligible to participate in CEI working groups and consultations at expert level.

Structure: The CEI prime ministers meet yearly, while foreign ministers hold meetings every six months. Parliamentary delegation meetings are also held. Each country has a national coordinator to secure the proper representation at the working level.

Recent Developments: Efforts are under way to establish the CEI permanent secretariat in Trieste. In October 1995, at the Prime Ministers meeting in Warsaw it was decided to expand membership in early 1996 to all interested non-member States belonging to the CEI - Albania, Baden-Wurtenberg, Bavaria, Belarus, Bulgaria, Romania and Ukraine. The ministers of the CEI member States reaffirmed that efforts aimed at furthering their countries' economic transformation and at removing barriers that prevented or delayed their integration into the EU were the main tasks of the initiative. The ministers paid special attention to the need to increase mutual trade among CEI member States through new initiatives such as specified fairs, and direct investment.

Relations with other Organizations: Regular political consultations are held between the CEI, the European Union, the OSCE, and the Council of Europe. The CEI maintains regular contacts with other regional groupings within the region such as the Black Sea Economic Cooperation (BSEC), Baltic Council of Ministers, the German federal regions, and the trade unions of its member states. It also has links with the Organization for Security and Cooperation in Europe (OSCE), Council of Europe, and Group of Twenty Four (G-24).

(viii) The Economic Cooperation Organization (ECO)

History: Established on 27-29 January 1985 in Teheran by the Governments of Iran, Pakistan and Turkey, as a successor organization to the Regional Cooperation for Development (RCD), which had been set up on 21 July 1964 in Ankara, and existed until 1979.

Mandate: To promote economic, technical and cultural cooperation among member States; to expand trade; to promote conditions for sustained economic growth, and to consolidate cultural and spiritual affinities.

Members (10): Afghanistan, Azerbaijan, Iran, Kazakstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan, Uzbekistan.

Structure: The Council of Ministers (meets at least once a year) is the decision-making body, which consists of Ministers of Foreign Affairs. The

Council of Deputies (meets regularly in Teheran) is responsible for formulating issues requiring decision by the member States, and for implementing decisions of the Council of Ministers. It consists of the Director-General of the Ministry of Foreign Affairs of Iran and the Heads of Diplomatic Missions of ECO member States in Iran. The Regional Planning Council (meets once a year in Teheran) reviews and evaluate the results of the past programmes, and proposes programmes to the Council of Ministers. It comprises the Heads of Planning Organizations of member States.

Recent Developments: ECO and ASEAN have conveyed a joint request to ESCAP to undertake a study on the possibilities for cooperation between the two organizations. This study should be completed in April 1996. The ECO has concluded a framework agreement with the European Union.

Relations with Other Organizations: The ECO has signed a Memorandum of Understanding with the Islamic Development Bank (IsDB). It also has links with: the Association of South Eastern Asian Nations (ASEAN); the European Commission; and the Organizations of the Islamic Conference.

(ix) The Caspian Cooperation Council

History: Originated from the Caspian Sea Cooperation Council created at the Economic Cooperation Organization (ECO) meeting in Teheran in February 1992. The final draft of the agreement on this new subregional organization was approved during the meetings between Iran, Russian Federation and the Caspian coastal States on 10-11 October 1995 in Moscow.

Mandate: To address and resolve issues related to the use of the Caspian Sea and its resources and to promote cooperation among the Caspian coastal States.

Members (5): Azerbaijan, Iran, Kazakstan, Russian Federation, Turkmenistan.

Relations with Other Organizations: None

Recent Developments: The Caspian Sea Cooperation Council is practically paralysed due to the continuing disputes among the members about control over oil, fishing rights and the legal regime of the Caspian Sea. The most controversial issue is over control of the pipelines through which the flow of Caspian oil from Azerbaijan (and later Kazakstan) will reach its markets. The Russia Federation wants the oil to be piped through its territory while some Western oil companies involved insist on the southern route via Georgia and Turkey.

(x) The Council of Europe (CE)

Origins: Established in London on 5 May 1949, with the signature of the Statute of the Council of Europe by government representatives from Belgium, Denmark, France, Ireland, Italy, Luxembourg, Netherlands, Norway, Sweden and United Kingdom. The statute states that every member of the Council of Europe must accept the principles of the rule of law and of the enjoyment by all persons within its jurisdiction of human rights and other fundamental

freedoms. Since 1989, the Council of Europe has been the pre-eminent European organization for intergovernmental and parliamentary cooperation, capable of welcoming the new democracies of Europe on an equal footing. Membership of the Council of Europe currently stands at 39.

Mandate: Its aims and objectives cover all aspects of European affairs apart from defence. Its main aims are: to protect human rights and pluralistic democracy; to promote awareness of a European cultural identity and to encourage its development; to seek solutions to problems facing European societies such as minorities, xenophobia, intolerance, environmental protection, bioethics, drugs; to provide human rights protection for Europe's post-communist democracies; and to assist central and east European countries with their political, legislative and constitutional reforms.

Members (39): Albania, Andorra, Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Liechtenstein, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Republic of Moldova, Romania, Russian Federation, San Marino, Slovakia, Slovenia, Spain, Sweden, Switzerland, The former Yugoslav Republic of Macedonia, Turkey, Ukraine and United Kingdom. Special guest status (introduced in June 1989 to forge closer links with the legislative assemblies of Central and Eastern European countries): Belarus, Bosnia and Herzegovina, Croatia.

Structure: The Council of Europe is made up of two bodies: the Committee of Ministers of the Council of Europe and the Parliamentary Assembly of the Council of Europe. The Committee of Ministers is the decision-making body, and consists of the Foreign Ministers of the member States or their deputies. It meets twice a year in Strasbourg. Minister's Deputies meet monthly. The Committee of Ministers decides on recommendations submitted to it by the Parliamentary Assembly. The Parliamentary Assembly has 263 members elected or appointed by the national parliaments as well as delegations from parliaments of the States which have special guest status. The Assembly meets four times a year, while its 50 or so committees and sub-committees meet at regular interval throughout the year. The Secretariat of the Council of Europe, headed by a Secretary-General (5 year term), serves the Committee of Ministers, the Parliamentary Assembly and the Congress of Local and Regional Authorities.

Recent Developments: Belarus and Croatia have officially applied for membership. The Committee of Ministers agreed in January 1994 to the establishment of the Congress of Local and Regional Authorities of Europe, which consists of two chambers (one representing local authorities, the other regional authorities). Its aim is to enhance and develop the role of local and regional authorities within the institutional structure of the Council of Europe.

Relations with Other Organizations: The Council of Europe has established privileged links with the European Community with the intention of promoting closer cooperation between the two institutions. The Council of Europe Office for Liaison with the European Communities was established in 1975. The Council of Europe has agreements with the following organizations: the International

Organization for Migration (IOM); the European Free Trade Association (EFTA); the European Commission; the League of Arab States; the Organization of African Unity (OAU); the Organization of American States (OAS); the Organization for Security and Cooperation in Europe (OSCE); the Nordic Council, the Organization for Economic Cooperation and Development (OECD); and the World Trade Organization (WTO).

(xi) The European Free Trade Association (EFTA)

History: Established in 1960. Its founding members were Austria, Denmark, Norway, Portugal, Sweden, Switzerland and United Kingdom. Finland became a member in 1986. Five countries have left EFTA to join the European Union (EU): Denmark and the United Kingdom in 1972; Portugal in 1985; Austria, Finland and Sweden in 1995. Iceland joined EFTA in 1970; Liechtenstein in 1991 (although Liechtenstein had been associated with EFTA from the beginning through its customs union with Switzerland); and Slovenia in 1995.

Mandate: To remove import duties, quotas and other obstacles to trade in western Europe and to uphold liberal, non-discriminatory practices in world trade. However, EFTA is not a customs union and its members retain their freedom in trade policies towards non-member countries.

Members (5): Iceland, Liechtenstein, Norway, Slovenia, Switzerland

Structure: The EFTA Council is responsible for the operation of the free trade area among member States. The Council meets regularly at the level of ministers or ambassadors and is the forum in which the member governments consult and act together. EFTA has its Headquarters in Geneva and a large Brussels Office for European Economic Area (EEA)-related matters. The Council is assisted by a number of committees, including the Committees of Origin and Customs Experts and of Trade Experts, and the Committee on Technical Barriers to Trade. A Committee of Members of Parliament also serves as a consultative body. Groups of experts, usually drawn from the governments of member States, are set up from time to time to deal with specific problems.

Recent Developments: On 2 May 1992 the countries of EFTA and the EC signed an agreement establishing the European Economic Area (EEA). The objective of the Agreement is to create a single market in Western Europe. Citizens of all 17 countries involved (except Switzerland) have the right to move freely throughout Europe - to live, work, set up businesses, invest or buy real estate anywhere in the economic area. The EEA entered into force on 1 January 1994. Ratification of the final text by all the participating EFTA and EC States was completed during 1993. Switzerland chose not to participate in the EEA following a referendum on the subject in December 1992. Liechtenstein aims to join at a later date after it negotiates the terms of its customs union with Switzerland. The EEA does not include the EU's Common Agricultural Policy (CAP) although the EFTA countries have individually agreed to improve market access for some EU agricultural products, especially those originating in less developed parts of the European Union. The EEA is not a customs union either. This means that there is no common EFTA-EU trade policy or common tariffs towards countries outside the EEA.

Relations with Other Organizations: The EFTA has established privileged links with the European Union through the EEA agreement.

(xii) Other subregional organizations

The Bank for International Settlements (BIS) (Australia, Austria, Belgium, Bulgaria, Canada, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Lithuania, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, South Africa, Spain, Sweden, Switzerland, Turkey, UK, US, Yugoslavia) Established on 20 January 1930 in Basel. Its aim is to promote cooperation among national central banks in international financial settlements. The Joint Vienna Institute (JVI) is a cooperative venture among the Bank for International Settlements (BIS), European Bank for Reconstruction and Development (EBRD), International Bank for Reconstruction and Development (IBRD), International Monetary Fund (IMF), and the Organization for Economic Cooperation and Development (OECD). JVI is specialized in providing training related to the economic and financial management of transition processes.

The Euro-Arctic Council of the Barents Sea (Denmark, Finland, Norway, Sweden, Russian Federation) Established by foreign ministers of the Russian Federation and the Scandinavian States. Its goals are to strengthen cooperation at all levels, and to preserve the regional environment.

The Visegrad Group (Czech Republic, Hungary, Poland, Slovakia, Slovenia) Established in 1991 in Visegrad (Hungary) in order to promote political cooperation in Central Europe and to accelerate the process of integration into the European Union. Political Cooperation among the five countries is maintained through their respective Ministries of Foreign Affairs. This instrument will consist of a group of experts whose task is to lead work on issues of common interest, such as the progress of trade, international assistance, interconnection of infrastructures, and the environment. This semi-official expert organization has been supported by the respective governments and the European Union. The Central European Free Trade Agreement (CEFTA) was signed on 21 December 1992 in Cracow.

UNITED NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/ECE/1335
7 February 1996

ORIGINAL : ENGLISH

ECONOMIC COMMISSION FOR EUROPE

Fifty-first session
(Provisional Agenda item 6)

CONSULTATIONS HELD BY THE CHAIRMAN OF THE COMMISSION WITH THE BUREAUX OF THE CHAIRPERSONS OF THE PRINCIPAL SUBSIDIARY BODIES AND THE WORKING PARTIES REPORTING DIRECTLY TO THE COMMISSION

Report by the Chairman of the Commission

INTRODUCTORY REMARKS

1. By its decision B (47) the Commission invited the Chairman of the Commission, together with the Executive Secretary, to arrange consultations with the bureaux or the Chairmen of the Principal Subsidiary Bodies and the Working Parties reporting directly to the Commission, in order to identify difficulties in the implementation of their work activities, so as to ensure the most efficient use of existing resources. The Chairman of the Commission has also been invited to report on the results of the consultations at ad hoc informal meetings.

2. For the 1995-1996 inter-sessional round, the Chairman of the Commission expressed the wish that the consultations be built upon the foundation of the previous year's Chairman's Report, identifying four major recurrent themes on which the consultations should focus, namely:

(a) assistance to countries in transition, particularly how to enable better participation of those countries in the meetings and activities of ECE subsidiary bodies; how to keep them better informed of the PSB's activities and how the ECE can most effectively and efficiently contribute to the transformation of these economies;

(b) distribution of resources among ECE programmes and the need for supplementary funding through extra-budgetary resources; also in this context, the need to develop new forms and modalities of cooperation with the private sector, as well as the need for more flexibility in the use of ECE trust funds to the benefit of the countries in transition;

(c) adaptation of ECE priorities to today's needs;

(d) coordination of ECE and its subsidiary bodies with other organizations active in the region, particularly as regards calendar of meetings.

3. In addition, cross-sectoral synergies were to be identified and long-term objectives discussed, in the light of the Medium-Term Plan.

4. A total of 13 consultations were held with bureaux of PSB's including the Executive Body on Long-range Transboundary Air Pollution (LRTAP), between May 1995 and February 1996 (the consultation with the Bureau of the Conference of European Statisticians is scheduled for the end of February, after publication of this text), broken down as follows:

Chairman, Ambassador R. Neagu	- 5 consultations
Vice-chairman, Ambassador L. Willems	- 3 consultations
Vice-chairman, Ambassador O. Sliptchenko	- 3 consultations
Vice-chairman, Ambassador B. Skogmo	- 2 consultations

SUMMARY OF THE CONSULTATIONS

5. Some general remarks can be drawn from the consultations on these recurrent themes:

(a) The need for the PSBs to adapt their respective programmes to new realities and to take fully into account the concerns and priorities of transition economies has been strongly emphasized over the past two years. All consultations demonstrate that PSBs are responding to this demand for adaptation through adjustment in on-going activities as well as through new initiatives.

(b) Assistance to countries in transition is a preoccupation of all the subsidiary bodies. Their bureaux found of particular importance participation in meetings which help to establish a network of relations among specialists and they regretted that UN rules precluded the financing of travel of official representatives to regular meetings and that the lack of resources prevented participation of NIS. They also praised the workshops and the work of the regional advisers which they found important in increasing awareness of ECE activities and in helping in the implementation of norms, conventions and guidelines elaborated in ECE.

(c) The bureaux of the subsidiary bodies are well aware of activities of other organizations active in the regions working on similar issues. They stressed the specificity of ECE work, underlying complementarities and differences in membership and approach.

(d) The subsidiary bodies are aware that cross-sectoral issues have to be addressed, but it appears that they should not be treated formally under a routine agenda item taken up from one meeting to another. On the contrary, cross-sectoral issues should be identified first and addressed by the subsidiary bodies concerned in a selective and flexible manner on the basis of a jointly agreed programme.

(e) The consultations showed the concern for improving the organization of meetings, not only through a more focused agenda, but also through the shortening of their duration, with a view to increasing the level of participation and to maximizing opportunities to reach the decision-making sphere. A practical idea is to give more responsibilities to the bureaux of the subsidiary bodies and, if necessary, to enlarge them so that they can better prepare meetings, take care of routine matters and approve reports ad referendum.

(f) Cooperation with the private sector is intensifying and unanimously appreciated. It enables diversification of information, stimulation of exchange of ideas and experiences, better identification of needs and practical ways to meet them. it is also a potential source of funding for a number of activities of mutual interest. It was therefore felt that such cooperation between member States and the private sector in the ECE areas of competence should be actively pursued.

(g) All PSBs have highlighted the importance of their programmes of work and the need to secure resources for carrying them out. On the other hand, they have been informed of the objectives and the present stage of the exercise underway following decision A (50) para. 13. A number of PSBs are considering further possibilities of streamlining their work and maximizing savings. On the basis of previous consultations and the replies to the questionnaire addressed by the Bureau of the Commission, the dialogue will be pursued in order to explore more in depth the possible evolution of the work of the PSBs and help the Commission in making final decisions on strategic orientations for the future.

1. Working Party on Standardization Policies

(Consultation held by Ambassador R. Neagu on 23 May 1995)
Bureau: Chairman, Mr. S. Averin (Russian Federation); Vice-Chairman, Mr. C. Arvius (Sweden).

6. The Chairman of the Working Party described it as a unique forum for multilateral discussion of the role that technical regulation and standardization could play in preserving public health and safety, environmental protection and efficient use of resources. Concerning the latter, the Working Party held a joint session with the Steering Committee of the Energy Efficiency 2000 Project to review progress made on energy efficiency standards. The activities of the Working Party were particularly beneficial for countries in transition and it was encouraging to note that Estonia, Lithuania, Kazakstan and Kyrgyzstan had attended for the first time. Metrology was an efficient way of saving resources and a training programme in that field initiated by the Working Party was off to a promising start. It

was stated that the limited resources made available to the Working Party had been used in a most efficient manner whilst an increase in the secretariat travel funds for this programme was felt necessary.

7. Some major results of the fifth session were cited, including agreement on revised draft terms of reference and new title for the Working Party, review of the ECE Recommendations on Standardization Policies to be finalized and published in 1996, a fourth revision of the ECE Standardization List, the addition of a new element "Quality policy and competitiveness" to the programme of work, a programme of workshops and seminars and a decision to entrust the Rapporteurs with consideration of the possibility of converting some recommendations into a more legally binding form, e.g. conventions.

8. The Bureau was of the opinion that the value of seminars and workshops could hardly be overestimated: they were a most efficient way of conveying information to experts in countries in transition who could not afford to travel to Geneva. It was also pointed out that the ECE recommendations on standardization policies could undoubtedly be useful for experts in other regions. They had been established in close cooperation with the main international standards organizations (ISO and IEC) and could therefore be universally applicable.

9. It was noted that the European Union still insisted on having its certificates recognized in the Russian Federation without reciprocity. Mutual confidence in the technical competence and professional integrity of partner countries needs to be developed and in this context, the experience gained by some ECE countries of technical harmonization with EU Directives is very useful for other countries who are now only beginning the process. Finally, it was highlighted that standardization was a necessity if the further integration of the transition countries into the world economy was to succeed.

2. Committee on Environmental Policy

(Consultation held by Ambassador B. Skogmo on 31 May 1995)
Bureau: Chairman, Mr. K. Bärlund (Finland); Vice-Chairmen, Mr. V. Kostin (Russian Federation), Mr. D. Mount (USA) and Mr. I. Tokes (Hungary).

10. The Bureau of the Committee on Environmental Policy stressed that the Committee is focusing its activities on the promotion of pan-European cooperation and coordination in environment, assistance to countries in transition and environmental legislation.

11. The preparations for the Ministerial Conference "Environment for Europe" (Sofia, Bulgaria, 23-25 October 1995) provide an opportunity to develop regional environmental policy, cooperate and coordinate activities with other international organizations and institutions (EU, OECD, WHO/EURO, Council of Europe, UNEP, World Bank, EBRD, etc.) and involve other sectors, parliaments, business and industry and environmental NGOs.

12. New forms of interorganizational cooperation are being sought. The recent establishment by the Committee and WHO/EURO of a joint European Environment and Health Committee is an example of a new cooperative

arrangement in that regard. Building on the results of cooperation with the Senior Economic Advisers and the Committee on Agriculture, the CEP's Bureau is planning to strengthen links with the Committees on Energy and on Human Settlements and the Working Parties on Steel and on the Chemical Industry.

13. The importance was emphasized of developing a programme, in cooperation with OECD, of environmental performance reviews of countries in transition. Based on the results achieved in the preparation of pilot OECD reviews of Poland, Bulgaria and Belarus (in cooperation with ECE) and pilot ECE reviews of Estonia and one more country in transition, the Committee is expected to take a decision in 1996/1997 on launching a regular, full-scale review programme.

14. The role of demand-driven workshops in countries in transition and of the services of the regional advisor on the environment was also noted to be of assistance to countries in transition in strengthening their environmental management capabilities.

15. Further work of the Committee on environmental legislation was underlined as an instrument furthering convergence of environmental conditions and policies in the ECE region. This work was of interest to all member countries.

16. The need to strengthen the secretariat in servicing the "Environment for Europe" process and the development of the environmental performance review programme was stressed. The inadequacy of staff resources and travel funds in the Environment and Human Settlements Division was constraining these important activities. The role of providing voluntary contributions to the TFACT was also emphasized to facilitate the participation of experts from countries in transition in meetings under the Committee's auspices.

3. Senior Economic Advisers to ECE Governments

(Consultation held by Ambassador R. Neagu on 22 June 1995)
Bureau: Chairman, Mr. K. Puumanen (Finland); Vice-Chairmen, Mr. I. Kosír (Slovakia) and Mr. A. Swinarenko (Russian Federation).

17. The Chairman of the Commission underlined that the Senior Economic Advisers had already taken in the past important steps aimed at rationalizing their work. However, it was still essential to identify further possibilities of a more efficient use of time and resources.

18. Referring to the outcome of the thirty-first session, the Chairman of the SEA stressed that significant progress had been made in implementing practical proposals made during last year's consultations. Thus, the SEA decided that, as from next year, the report of the session, instead of being adopted by the session, will be prepared after the session by the secretariat under the responsibility of the Bureau. The preparatory meeting scheduled to take place at the end of January 1996 and the Bureau were invited to solve practical problems involved in the implementation of the new procedure. Instead of extending over a whole week, the duration of the annual session would be limited to three and a half days and would end on Thursday morning instead of

Friday afternoon as was the case until now. In a longer-term perspective, the final objective should be to further shorten the length of the annual session to three full days. It might thus be possible to attract a number of high-level experts who are at present deterred from attending a session which extends over a whole week.

19. Other possibilities of streamlining were considered by the Bureau of the SEA. They included a variety of measures, in particular the selection of topics to serve as focus for the discussion during the annual session (which could be reduced to one instead of two), the adoption of the programme of work (which should focus on proposed changes and not the totality of the programme), and the use of workshops and special meetings (which would make it possible to discuss outside the session a number of topics of a structural nature which are at present discussed during the annual session). With regard to the latter proposal, however, it was noted that the holding of meetings outside the annual session raised the problem of financing the participation of experts of transition countries in those meetings.

20. Further streamlining of activities could be envisaged but, under present circumstances, appeared difficult because of ECE procedural rules which impose specific agenda items on its PSBs, e.g. "matters arising from the Commission annual session" and "activities of other PSBs". It would be, therefore, desirable that these rules, which are at present applied uniformly to all PSBs, be adjusted to reflect the specific requirements of the various PSBs.

21. Concerning the participation in the annual session it was noted that an increasing number of countries are represented by several delegates from the capitals - an indication of the interest attached by ECE member countries, in all parts of the region, to the activities of the SEA. It was felt, however, that in view of increased ECE membership, it would be desirable to take measures in order to attract a larger number of countries in SEA regular activities.

22. It was stressed that the effectiveness of the work of the SEA strongly depends on cooperation with other international organizations and the avoidance of possible duplication of work in this respect. Referring to the experience of the last session, the Chairman pointed out that this cooperation could now be regarded as excellent. A good illustration was provided this year by IMF and OECD, both of which had accepted to provide discussion leaders for one of the topics selected by the SEA for the exchange of information. In addition to providing information on the activities of their respective organization in eastern Europe, representatives of other international organizations also participated actively in the discussion.

23. Concerning the dissemination of information relating to the work of the SEA in member countries, it was noted that the SEA plays a role in policy formulation. The importance attached by countries in transition to the activities of the SEA is explained by the fact that the annual session provides them with an opportunity to present some of the policy options under discussion in their respective countries and to discuss these policies with their colleagues. It is therefore essential to concentrate further the discussions on questions of direct interest to countries in transition.

24. The Chairman of the Commission stressed that the main purpose of the streamlining exercise under way was to increase the benefits derived by member Governments from SEA activities by focusing on the right issues. The Bureau had an essential role to play in this respect by identifying the areas of greatest interest to all member countries and by ensuring that the outcome of SEA meetings reach governments, particularly those of countries in transition.

4. Committee on Human Settlements

(Consultation held by Ambassador R. Neagu on 20 September 1995)
Bureau: Chairman, Mr. P. Gurtner (Switzerland); Vice-Chairmen, Mr. S. Brenke (Germany) and Mr. U. Christiansen (Denmark).

25. The Bureau of the Committee on Human Settlements outlined the most important present and future human settlements issues:

(a) The human settlements sector is a key factor in the national economy since in general total investment in buildings and technical infrastructure amounts to over half of all public investment in industrialized countries. Heavy investment also promotes trade, e.g, in technical know-how and technologies, building materials and construction activities. Furthermore, in countries in transition the privatization of land and real estate is and will be for the foreseeable future a major economic issue;

(b) Human settlements are also at the source of much environmental pollution. Policies often merely set out principles, concrete action is difficult to get going. Urban, regional and national planning to improve the relationship between society and nature has to be reinforced. Local and regional governments are involved in environmental issues mainly through their monitoring of industrial emissions and clean water. Urban transport and traffic have rarely been seen as environmental issues. Now local governments have become more active in environmental policy, but still have to work out territorially integrated and locally adjusted strategies;

(c) Human settlements are an important factor in the social fabric of a city, region or country. Homelessness is a growing concern in several ECE countries, as are social stability and migration. Specific measures are to be taken to face these challenges in terms of planning and providing suitable facilities and services.

26. For some time to come, there will be a great need for an east-west exchange of information in order to narrow, through forward-looking principles and actions, the gap in urban quality and housing standards between countries in the ECE region. To this end, countries increasingly request the Committee on Human Settlements to organize practical workshops and carry out studies on such issues as sustainable development, land administration, housing policies, urban renewal and housing modernization. The Committee's objective is to strengthen international cooperation in the development and implementation of human settlements policies striving towards environmental, economic and social soundness and sustainable development; to monitor and analyse the results of their implementation and coordinate these policies with overall national sustainable development objectives; build institutional capacity and

professional know-how; and support at the regional level the goals, commitments and the Global Plan of Action to be adopted at the Habitat II Conference to be held in June 1996.

27. The setting-up of a private sector advisory board to assist in the implementation of the Committee's programme of work was put forward.

5. Working Party on the Chemical Industry

(Consultation held by Ambassador O. Sliptchenko on 29 September 1995) Bureau: Chairman, Mr. J. Coupek (Czech Republic); Vice-Chairman, Mr. J. Parmentier (Belgium).

28. The Chairman of the Working Party commended the ECE secretariat for the high level of professionalism and competence in carrying out its activities. He then described the importance of the chemical industry and its products to all sectors of economic activity, and the efforts the industry is making in improving its environmental performance. He also noted the important evolution of chemical undertakings in the central and eastern countries of Europe from state-owned or controlled enterprises to privatized companies.

29. The Working Party on the Chemical Industry was considered to be a unique forum: it is the only organ where representatives of Government, industry and the international organizations meet to exchange views on crucial issues facing the chemical industry in the ECE region. The need to maintain and increase the interest from the private sector and in particular from western Governments was stressed, as well as the importance of actually being visible in the field. The Vice-Chairman of the Working Party noted the efforts being made by the Working Party for countries in transition, and while this is certainly laudable, he felt that balance must be sustained such that interest from the western parties is not sacrificed.

30. The Chairman also noted the direct commercial benefits some activities of the Working Party have had during study tours and workshops, where contracts between commercial enterprises were negotiated between participants; while this is clearly not a goal of UN activities it does illustrate the immediate practical effects some of the activities can generate. One additional benefit to participants in study tours is the personal relationships established during the close travel conditions, which clearly can show its value in further cooperation.

31. A very important part of the programme of the Working Party is its statistical reporting. These projects include The Chemical Industry - Annual Review, the newly revived Bulletin of Trade in Chemical Products, the Advance Version of the Annual Review, the Key Aromatics and Hydrocarbons Production Statistics and the five-year survey on Market Trends in Selected Chemical Products. The Chairman pointed out that during the past three years the secretariat of the Working Party has had difficulties in fulfilling its statistical programme due to a lack of statistical assistance - unique data is available but timing on processing personnel is very strained and publications are substantially delayed.

32. The development of the Chemical Industry - Sustainable Economic and Ecological Development (CHEMISEED) Regional Programme was noted and appreciated, with five activities underway including continuing projects (Regional Environment Management Centre for the Chemical Industry in Warsaw, Comparative data bank of chemical legislation in the ECE region) and limited duration projects (Seminars and Workshops; Pilot project demonstrating the environmental cleanup of selected sites polluted by chemicals).

33. Workshops assisting countries in transition are part of the activities of the Working Party. The Workshop on Restructuring and modernization of the chemical industry in countries in transition, to be hosted by the Government of Ukraine in 1996, was mentioned in this respect. Other assistance to countries in transition includes the Directory of Chemical Producers and Products, which provides visibility for these enterprises to potential customers outside their own marketplace. Difficulties encountered in finding adequate resources for processing data for this very successful publication were noted by the Chairman of the Working Party. The Vice-Chairman agreed that this programme is of major importance to countries in transition.

34. The importance of modern technology in the chemical industry should not be ignored by the Working Party in its activities in assisting countries in transition. It was also pointed out that its activities in assisting countries in transition should not be limited to development of the chemical industry itself, but should contribute to general economic growth in these countries, in particular through facilitation of their access to European and world markets in order to increase income from sales of chemical products.

35. The Chairman of the Working Party acknowledged this, and mentioned a Seminar on membrane technology and a Workshop on process integration as examples in the 1996 programme of work where modern technology is discussed and where aspects of such technology can be contributed by known experts from both developed and transition countries throughout the region.

36. Cooperation with the Regional Advisors is beginning, and two prospects have been raised directly between the Regional Advisor for Industry and Technology and the Working Party on the Chemical Industry, but these are still at a very preliminary stage.

37. The close cooperation between the ECE and the EU was noted, to the point of having direct financial contribution and in-kind support for the project of a comparative data bank of chemical legislation in the ECE region. A series of Round-table discussions initiated by the Working Party were also mentioned, bringing together members of NGOs, intergovernmental agencies, Governments and private sector participants on controversial issues facing the chemical industry.

38. Focusing on costs of the secretariat, it was noted that streamlining had already taken its toll in the Industry and Technology Division, and that further reductions could place the very existence of the group at risk. It was also noted that most external activities of PSBs are funded by host Governments, so that direct cost to the UN is kept to a minimum.

6. Working Party on Steel

(Consultation held by Ambassador O. Sliptchenko on 27 October 1995)
Bureau: Chairman, Mr. H.U. Meiswinkel (Germany); Vice-Chairman, Mr. L. Shevelev (Russian Federation).

39. The Chairman of the Working Party on Steel emphasized that, following the wishes of both Governments and industry representatives, work priorities had been progressively reorganized. The Working Party on Steel was efficiently working in the priority areas of the ECE and had successfully involved in its work steel industry and government representatives. This involvement was one of the keys of the success of the Working Party in its programme of assistance to the countries in transition.

40. The Bureau of the Working Party emphasized that delegations, particularly those of the countries in transition, felt that the Working Party on Steel was a unique forum for the exchange of views on the iron and steel industry. No other organization offered government and industry representatives the possibility to freely discuss on an equal basis economic, technological, market and trade issues. For restructuring and privatization, the countries in transition had access to and were making use of the western experience.

41. The very close cooperation with other organizations dealing with the steel sector (OECD, EU, IISI) was underlined. It was clearly shown by the Chairman of the Working Party that there was no duplication of activity with other organizations. On the contrary, other organizations used the publications and other activities of the Working Party as an important source of information.

42. To answer the demand of several countries, the Working Party, under the leadership of a group of high-level experts, had developed its regional programme "Metallurgy and Ecology" in the field of sustainable development of the steel industry and protection of the environment through seminars, workshops and a directory of the organizations dealing with the environment and the steel industry. Members of the secretariat had also been called on to act as technical advisers on the financial and managerial aspects of the restructuring of the steel industry in the countries in transition.

43. A project supported jointly by the World Bank, EBRD, the European Commission, the International Iron and Steel Institute (IISI) and the ECE, aims at giving for the first time ever a detailed picture of the steel industry in western, central and eastern Europe and a practical tool in the decision making of potential investors. It gathered government and steel industry representatives of all steel producing countries in eastern and central Europe and was using the combined expertise of different organizations.

44. The regular staff and equipment resources had decreased over the last four years. However, with the direct assistance of Governments and industry, which had provided on a long-term basis, highly qualified economists, personal computers and financial assistance, the activities had been reorganized and reoriented towards more practical and efficient assistance for the Industry.

The Chairman of the Working Party emphasized that during its session, the Working Party had requested the Executive Secretary to provide, without delay, statistical assistance in order to secure the very important statistical publications in the steel sector for Governments and industry.

7. Committee on Energy

(Consultation held by Ambassador L. Willems on 9 November 1995)
Bureau: Chairman, Mr. A. Gritsenko (Russian Federation); Vice-Chairmen, Mr. T. Alptürk (Turkey) and Mr. I. Gaf-Deac (Romania).

45. The Vice-chairman of the Commission noted that there were fewer participants than desired at the fifth session. It was stated that an effort should be made to improve this situation, particularly among the transition countries. The Bureau of the Committee noted the financial constraints faced by many transition countries which made it difficult for them to attend the session. The Vice-chairman of the Committee further stated that the Committee would benefit greatly from the participation of country representatives at the highest level who would bring a vision to the work of the Committee.

46. Concerning assistance to transition countries in the field of energy, the Chairman of the Committee noted the important role that the new Gas Centre was filling and also that for many transition countries, the ECE was the only international organization in which they were represented. Because of its importance in achieving economic integration within Europe, energy should be considered a priority for the transition countries and ECE should play an important role in setting out energy policy and strategies. It was further noted that the presently rigid structures of the energy sector in the transition countries needed to be changed and modernized, e.g. particular challenges were faced with the closing of coal mines in many transition countries.

47. Concerning other key areas of work under the Committee, the Vice-Chairman noted the need for a critical assessment of the strengths and weaknesses of the programme of work in the field of energy. The Bureau noted the importance of the work on European gas and electrical network interconnections, stated to be a key element in achieving supply-side efficiencies.

48. The Vice-Chairman of the Bureau stated that the main challenge faced by the Committee on Energy was to bridge the differing energy situations and energy interest among countries of the ECE region. The Committee should seek to enhance its work in cross-sectoral areas, represented by the success of the "Energy Efficiency 2000" project which involved industry as well as Governments. The Gas Centre was also pointed to as a promising area of endeavour. But concerning the work under the Committee on Energy, including its subsidiary bodies, the Vice-Chairman of the Commission noted that there was a need to identify the areas where the ECE had a comparative advantage in order to focus available scarce resources where the ECE can make the most effective contributions. In sum, there might be areas in the programme of work in which, in view of resource constraints at the present time, ECE involvement might have to be limited. In those areas, more intensive work might have to be carried out elsewhere.

49. The Chairman of the Committee emphasized that for the transition countries, energy was a priority area and that for them, work aiming at integration of the energy and industrial sectors was by far the most important work the ECE could undertake in that respect. He particularly underlined the importance of carrying out work on energy strategies and policies.

50. The Chairman of the Committee also underlined the need for additional resources. In response, the Vice-Chairman of the Commission stated that savings in meetings days was one way to conserve resources and also that the secretariat should concentrate its efforts on substantive work and papers.

51. The Deputy Executive Secretary emphasized the responsibility of the Bureau of the Committee on Energy to enliven the dialogue among countries concerning the energy situation and policies in the ECE region and further stated that to make the debate lively, synergy was needed with other international organizations.

8. Timber Committee

(Consultation held by Mr. T. Hildan representing Ambassador B. Skogmo on 16 November 1995)
Bureau of the Timber Committee: Chairman: Mr. G. Siegel (absent from the meeting); Vice-Chairmen, Mr. D. Darr (United States) and Mr. N. Burdin (Russia). For the Executive Committee of the FAO European Forestry Commission: Vice-Chairman, Mr. P. Csoka (Hungary).

52. The Vice-Chairman of the Committee underlined that it had adapted already to changing priorities which were, in the sector, questions of sustainable forest management, including follow-up to UNCED and the Helsinki Ministerial Conference, as well as the core programme of statistics, monitoring and analysis, including the timber trends studies. He proposed that the Committee's programme should identify more clearly a core programme of the above continuing topics along with a small number of topical projects. Next to these core activities, the Committee should have a number of projects of interest to countries, which should be led by those countries with minimum secretariat input.

53. It was stressed that the statistical work done by the Committee with FAO was unique and could not easily be replaced. International statistics for forestry and timber were coordinated by an Intersecretariat Working Group (ECE, FAO, EU, OECD, ITTO), to avoid all duplication. In 1996 the ECE/FAO questionnaire will become an ECE/FAO/EUROSTAT questionnaire.

54. The Bureau stressed the close cooperation between the Timber Committee and the FAO European Forestry Commission (integrated programme, joint subsidiary bodies, joint publications) which continued despite the withdrawal of the FAO staff from the joint division.

55. The economic importance of the timber sector and trade in timber and its products was also mentioned: $100 billion of world trade.

56. It was mentioned that the Environment Programme for Europe, approved in Sofia, in its forest section, endorsed a number of ongoing Timber Committee activities, including the data monitoring and analysis work.

57. The Bureau was of the opinion that because of the interlinked nature of the programme elements and the already very low level of resources, the current programme would not be viable with reduced resources.

58. In this context, the Executive Secretary drew attention to the "multiplier effect" of many parts of ECE's work, which was able to mobilize national resources in cooperative efforts. He also mentioned the desirability of finding new, possibly private, sources of resources which should be possible as the Committee had had high level and effective private participation.

59. The importance of effective communication within countries, notably with representatives at the Fifth Committee and other decision making bodies was stressed, so that they should be fully aware of the nature and value of the output of the Timber Committee and other ECE activities.

9. Committee on Agriculture

(Consultation held by Ambassador L. Willems on 21 November 1995)
Bureau: Chairman, Mr. K. Hirsch (Germany); Vice-Chairmen, Mr. A. Gazowski (Poland), Mr. I. Loupashko

60. It was recalled that, following the withdrawal of FAO staff from the Agriculture Section of the former Joint ECE/FAO Agriculture and Timber Division, arrangements were being made within existing ECE resources to ensure the continuation of the work on agriculture standards in the Trade Division without interruption. Work on food and agricultural statistics would continue to be carried out in the Statistical Division.

61. Specific reference was made to the Committee's discussions concerning the financial implications of the option to discontinue the Committee on Agriculture, retaining only the activities on standardization of perishable produce and agricultural statistics within existing secretariat resources (Option 1A). Reference was also made to Option 1B of additionally continuing Joint FAO/ECE Working Parties on Agriculture and the Environment, the Economics of the Agri-Food Sector and Farm Management within other ECE Divisions or, as Option 2, a possible merger of the Committee on Agriculture with the FAO European Commission on Agriculture.

62. It was recalled that the views of countries differed as to future activities in the field of agriculture. The European Union was of the view reflected as Option 1, variation A. In a spirit of compromise the European Union invited the Commission to consider the proposal for the merging of the ECE Committee on Agriculture and the FAO European Commission on Agriculture, in the light of FAO's offer to make some resources available and taking into account the constrained budgetary situation of ECE in 1996-97. This position was supported by the delegations of the USA and Switzerland.

63. The delegation of the Russian Federation, supported by the delegations of Poland and Ukraine, was of the view that the ECE Committee on Agriculture should continue its activities giving emphasis to the needs of member countries with transition economies, particularly those who were not FAO members, and the need for an all-European forum on agricultural policies and issues where all countries held equal membership rather than as observers as non-members.

64. Concerning the Questionnaire to ECE principal subsidiary bodies on the strengthening of economic cooperation in the ECE region, it was noted that the Committee's preference was foreseen in the areas of standardization of perishable produce, assistance to transition economies, and preparation of agri-economic studies.

65. Specific issues of possible duplication and overlapping of ECE and FAO activities in the field of agriculture were also considered. While some overlapping at the technical level was possible between the two organizations, FAO activities were mainly in the area of North-South relations. The FAO current restructuring at regional and sub-regional levels would improve its efficiency in the future. Regular consultations on cooperation in the field of agriculture held in recent years by ECE and FAO (together with OECD) were conducted with the aim of avoiding such overlapping.

66. It was underlined again that discontinuation of the activities of the ECE Committee on Agriculture would exclude some countries from participating in international cooperation in this field at the European level and would result in the loss of the agri-political aspects of such activities as well as in the termination of the two Joint FAO/ECE Working Parties, one on Agriculture and the Environment, and the other on Economics in the Agri-Food Sector and Farm Management. The intention of the Russian Federation to join the FAO in 1997 was also noted.

67. It was emphasized that future ECE activities in the field of agriculture would directly depend on the position of the ECE member States at the ongoing session of the Committee on Agriculture and at the forthcoming session of the Commission, and the availability of resources for ECE work in the field of agriculture.

10. Executive Body for the Convention on Long-range Transboundary Air Pollution

(Consultation held by Ambassador O. Sliptchenko on 1 December 1995)
Bureau: Chairman, Mr. J. Thompson; Vice-Chairmen, Mr. J. Beale (United States), Mr. L. Björkbom (Sweden), Mr. R. Mills (United Kingdom) and Mr. J. Zurek (Poland).

68. The Chairman of the Executive Body described in general terms the work programme and the achievements under the Convention, stressing that EB is an independent treaty body consisting of forty Parties, being serviced by the ECE secretariat and the UNOG Conference Services. In particular, he pointed to the successful preparation and implementation of five legally binding protocols developed under the Convention (1984, 1985, 1988, 1991 and 1994).

He also provided information on the decisions to initiate negotiations on three additional protocols in 1996 on nitrogen and related substances, heavy metals and persistent organic pollutants. It was noted that the work-plan of the Executive Body for the coming year included thirty-five agreed international meetings, which would impose a considerable strain on governments and the secretariat.

69. It was understood that the intergovernmentally agreed work-plan for 1996 and the envisaged similar, or further increased, undertakings for the following years must be taken seriously into account when setting future priorities for the ECE secretariat. Participants underlined the importance attached at high level to the Convention and it was pointed out that several bodies, like HELCOM and OSPARCOM, rely on the Convention for crucial input; and that UNEP has identified the work under the Convention as a stepping-stone for global action on persistent organic pollutants. Planned cooperation with ESCAP on air pollution was also highlighted.

70. The Vice-Chairman of the Commission, in recognizing the specific, sovereign nature of the Executive Body, noted the comprehensive activities under the Convention, its generation of several ministerial meetings, its increasing membership and its far-reaching scientific and policy-oriented network.

71. Bureau members and the secretariat clarified that the organizational structure under the EB consists at present of four main subsidiary bodies, two preparatory Working Groups and ten Task Forces. A Trust Fund for financing the implementation of the Convention was established in 1981 for handling mandatory, earmarked contributions for international coordination costs for modelling and evaluation under the EMEP Protocol. The annual EMEP budget is at present approximately US $ 1,900,000. A similar arrangement for effect-oriented activities is now being discussed. The annual costs of national contributions in kind for measurements, modelling, effect-monitoring and mapping under the Convention have been calculated at US $ 60, 000,000.

72. The Director of the Environment and Human Settlements Division described the recent restructuring of the Division, aiming at a more cost-effective integration of resources and expertise. Such an integration finds support in many current undertakings, e.g. intersectoral ministerial conferences, like the recent one in Sofia on Environment for Europe, and the planned one on transport and environment. He made it clear that the secretariat fully supports the Executive Body and, with reference to recent discussions in the Fifth Committee, that a transfer of the secretariat to UNEP would not be feasible or cost-effective. Bureau members confirmed that such a transfer would most likely lead to a serious drop-out of governments from the established and well-functioning cooperation, which might put further progress into jeopardy. It was also stressed that the secretariat, although very small, is a crucially important part of the full machinery under the Convention.

73. The Chairman of the Executive Body pointed out that the intergovernmental nature of the latter makes the direct involvement of private industry less relevant. However, a more developed interface with industry is being

contemplated, in particular in view of the fact that governmental obligations, entered into through Protocols, must be translated into national legislations and industry responses according to market principles. The engagement of the European Union with industry was seen as a possible vehicle for progress.

74. With regard to investments in the region, based on obligations of the Protocols, it was made clear that Protocols do not prescribe specific technologies for reaching the objectives, but rather give recommendations. Following the development from simple to differentiated agreements under the Convention, it was envisaged that industry might be more involved in possible third-generation agreements. The option of joint implementation of commitments may offer an interesting investment potential in some countries. To improve the flow of funds from financial institutions to countries with economies in transition, some promotional reference material may serve as a catalyst. The regional approach should be emphasized in this context.

75. In conclusion, Mr. O. Sliptchenko pointed out that the work underway in the Commission to define strategic directions of its future activities, reflecting new realities in the ECE region as well as budget capacity, should be taken into consideration in activities of the EB. He invited the EB to provide its view on strategic directions of the future activities of the ECE.

76. The Vice-Chairman of the Commission emphasized the need to encourage the participation of the private sector in carrying out the EB's programme of work. He also stressed that the EB's activities in assisting countries in transition should facilitate the transfer of technologies, *inter alia* their access to the most advanced ones which were necessary for reaching the objectives of the Protocols.

11. Committee on the Development of Trade

(Consultation held by Ambassador R. Neagu on 7 December 1995)
Bureau of the Committee on the Development of Trade: Chairman, Mr. M. Berinde (Romania), Vice-Chairman, Mr. W. Müller (Germany); Chairman of the Working Party on Facilitation of International Trade Procedures (WP.4), Mr. T. Blomfeldt (Finland); Chairman of the Working Party on International Contract Practices in Industry (WP.5), Mr. D. Winter (United Kingdom); Chairman of the Meeting of Experts on Data Elements and Automatic Data Interchange (GE.1), Mr. R. Walker (United Kingdom); Chairman of the Meeting of Experts on Procedures and Documentation (GE.2), Mr. D. Dima (Romania)

77. The Chairman of the Commission welcomed the CDT initiative to review its future activities undertaken during the current CDT session. He underlined the Bureau initiative to prepare a paper on future directions of the Committee's activities which was presented to the session. The paper resulted in concrete and pragmatic discussions on how and in what ways the secretariat could assist the transition economies in a more efficient way.

78. One of such possible directions will be more active involvement of private businessmen in the on-going activities of the CDT. For the first time in December 1995 private sector representatives took part in the round-table on Financing of Trade and Investment in the Countries in Transition.

Many of them expressed their interest in continuous cooperation with the ECE secretariat. In another development, the International Forum on Attracting Private Investment in Large-scale Infrastructure Projects in the Transition Economies organized in November 1995 under the auspices of the WP.5 attracted significant participation from business operators from all over the region (more than 300 delegates).

79. The Chairman of WP.4 reported on the re-engineering process which will eventually lead to a new body: a Centre on Facilitation of Trade. He explained how this Centre will be able to better serve the needs of member States and countries outside the ECE. Among areas of concern he mentioned cases when UNCTAD duplicates ECE activities in trade facilitation, although there is no direct overlapping between the two agencies, activities which complement each other well. He also noted the problem of insufficient resources and in particular referred to the necessity to keep the post of regional adviser assigned to this sub-programme.

80. The Director of the Division reported on the progress of the activities of the WP.1 and on the very positive position of all member States to maintain the activities on standardization of agricultural produce in spite of the problems regarding the ECE Committee on Agriculture, following the withdrawal of FAO financial support to this programme. She informed the meeting that the WP.1 at its meeting in November 1995 declared that its work should be fully integrated with the CDT activities.

81. The Chairman of WP.5 referred to the success of the International Forum on Investment in Infrastructure Projects and explained that one of its results was the establishment of a group of private experts which will work independently and prepare guidelines for the transition economies on new forms of project financing for consideration and approval by the WP.5. This new form of cooperation with the private sector, should it be successful, would help the secretariat to expand its activities without additional resources. He also mentioned that the main problem of WP.5 is the publication of already prepared guides which requires additional resources. He requested that the post of Regional Adviser assigned to the sub-programme on the development of trade should be maintained in 1996.

82. The Chairman of the Commission stressed the importance of a more practical approach to all activities and of turning the CDT into a forum where not only governmental representatives but also businessmen could meet to discuss their problems. Among other issues he stressed the necessity of carrying on follow-up meetings to track the already undertaken initiatives. He noted the importance of the East-West Investment News publication and said that he was not aware of any overlapping of this sub-programme with the DEAP or other organizations.

12. Inland Transport Committee

(Consultation held by Ambassador L. Willems on 19 January 1996)
Bureau: Chairman, Mr. Suvorov (Russian Federation).

83. The main activities of the Committee were reviewed. Particular emphasis was put on current difficulties in the application of the TIR Convention. As a collapse of the TIR transit regime would have a negative impact on international, especially east-west, transport and trade, the Committee had urged all parties involved in the operation of the TIR customs regime to abide exactly by the rules and implement the short-term measures taken by the Working Party on Customs Questions affecting Transport as well as the recommendations adopted by the TIR Administrative Committee. Furthermore, preparatory work for revising the TIR Convention had already started. In order to be able to carry out this work in a swift and efficient manner the Committee had requested that additional resources be redeployed to the Transport Division, invited contributions in cash and in kind from Governments and intergovernmental organizations and agreed to the establishment of a Trust Fund.

84. The preparatory activities of the Regional Conference on Transport and the Environment were reviewed, including the various kinds of results the Conference might produce such as legal instruments, a programme of action and a political declaration. Different opinions had prevailed among delegations as to the dates for the convening of the Conference: while one had expressed a preference for holding it in 1996 as originally scheduled, others supported the position to organize it in autumn 1997 because of the extensive preparatory work still to be undertaken and the timetable of transport meetings in 1997.

85. The activities undertaken in the context of the Committee regarding assistance to countries in transition were also reviewed, in particular the activities of the subsidiary bodies, workshops and seminars, work undertaken by the TEM and TER projects as well as the activities of the Regional Advisers. The assistance provided to transition countries covered, inter alia, the area of transport infrastructure, which is at the centre of the TEM and TER projects and includes likewise an extension of the international road, rail and combined transport networks to the Caucasian and Central Asian Countries, for which steps had been taken. In the non-infrastructural field, support had been given to reform countries on questions addressing the role of the State in transport in a market economy, transport legislation, border crossing facilitation, etc. These and other priority topics were envisaged to be addressed during future workshops of the Committee. It was also noted that there was a considerable and urgent need for the training of managers in the transport sector.

86. The question of resources was addressed. It was recalled that special measures for savings had been introduced on 15 September 1995 by the Secretary-General in order to cope with the United Nations cash flow crisis. The Committee had voiced its concern about the critical financial situation and underlined in this connection, in particular the need to fill, as soon as possible, the 4 professional posts which are currently vacant in the Transport

Division. As to savings which might be envisaged, it was emphasized that in view of the importance of the work carried out by the Committee in quantitative and qualitative terms, and taking into account the efficient use of staff in the Transport Division, the Commission should continue to give priority to transport related work and reflect this also in the budgetary assignments to the transport sector. The Chairman of the Inland Transport Committee underlined the extreme importance of the legal instruments developed by the Committee, particularly for countries in transition. In its endeavour to make the best use of existing resources through an even better rationalization of activities, the Committee had requested its subsidiary bodies to identify possible measures for savings without affecting the effectiveness of work. In response to the enquiry of the Bureau concerning draft international legal instruments which, after being elaborated by the experts, had not subsequently been ratified, it was explained that this concerned a very limited number of instruments developed in the past and that at present both Governments and the secretariat looked carefully at the interest of the issues to Governments before launching the elaboration of new legal instruments. The Bureau of the Commission also raised the question of further exploring the possibility of increasing external contributions from e.g. Governments, organizations or industry. It was agreed that this question would be further explored by the Committee.

13. Conference of European Statisticians - to be arranged.